

FISCAL NOTE

SB 2255 - HB 2978

January 31, 2004

SUMMARY OF BILL: Requires the Department of Education to establish a demonstration project for distance learning through videoconferencing for public school students, no later than January 1, 2005. The department must select four courses for the project. At least one course would be from subjects in which shortages of highly qualified teachers exist, including high-level courses for exceptional students, courses that local education agencies (LEAs) are unable to provide due to potentially small enrollment, and courses that are remedial.

The department would solicit proposals for the development and production of the selected courses from LEAs and would be required to provide incentive grants for funding all or part of the development and production of a course.

Participating LEAs would be required to provide a classroom, any equipment necessary, and books and materials necessary for the course. The LEA must also provide a teacher or teacher's aide to supervise the classroom during videoconferencing.

The department would be required to monitor and measure the effectiveness of the distance learning demonstration project, and to submit an annual report of findings and recommendations to the House and Senate Education Committees and to the State Board of Education.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

Increase Local Govt. Expenditures - Less Than \$100,000/Permissive

Increase Local Govt. Revenues - Exceeds \$100,00/Permissive

Estimate based on the following:

- Any participation in the demonstration project by the LEAs would be permissive.
- Assumes LEAs' participation would be dependent upon whether the state paid all or a portion of the cost for the development and production of the course.
- The cost to the Department of Education to provide incentive grants to participating LEAs would be dependent upon the number of LEAs in the project and the amount of each incentive grant. Therefore, it is estimated that such increase in state expenditures will exceed \$100,000 with a

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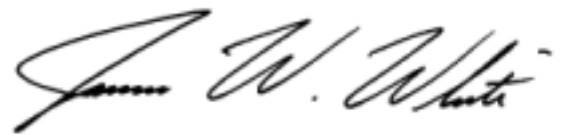
corresponding increase in local government revenues in excess of \$100,000.

- Assumes some cost to local governments to provide a classroom, any equipment, and all books and materials necessary for the course. It is assumed that state grant funds could be used for this purpose; however, it is assumed that some LEAs already have such an equipped classroom. Assumes the LEAs already have a teacher or teacher's aide on staff who can supervise the classroom during videoconferencing. Therefore, such increase in local government expenditures is estimated to be less than \$100,000.
- The cost to the department to monitor the project and to submit an annual report is estimated to be not significant.

For information purposes, the Benton County School System already has such a classroom that is used for classes to broadcast from UT-Martin. The upfront start-up costs for equipment were \$80,000 and they pay approximately \$100 per month for T-1 lines. They also provide a teacher in the room, who uses a planning period and is there to keep order, hand out papers, etc. The Memphis City School System presently has four classrooms that are equipped, but they only work school to school, with no connectivity with outside sources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director